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CARDIN PROMISES TO PROTECT MARYLAND SENIORS FROM EFFORTS TO TAKE AWAY NEW HEALTH CARE BENEFITS

Efforts to Repeal Health Care Reform Could Cost Marylanders Over \$400 Million in Prescription Drug Savings

Washington, DC – **U.S. Senator Benjamin L. Cardin (D-MD)** hosted a conference call today with leading senior advocates from Maryland and national organizations to review the new health care benefits available to seniors as of January 1 thanks to the health care reform law passed by Congress last year. During the call, Senator Cardin promised to do all he could to stop efforts to repeal critical new benefits that could cost Maryland seniors hundreds of millions of dollars.

New benefits for seniors that would be in jeopardy from efforts to repeal the *Affordable Care Act* include the elimination of copayments for preventive services, annual wellness checkups for all seniors with no copays or deductibles – two provisions Senator Cardin helped lead the fight to include – and a 50 percent discount on brand-name drugs for seniors reaching the Medicare Part D prescription drug "Donut Hole." Last year, 32,172 Marylanders received a one-time tax-free \$250 rebate to help pay for prescription drugs and help fill the "Donut Hole" gap. The average benefit in 2011 is expected to be at least double that amount.

"For those on a fixed income, skyrocketing prescription drug and other medical bills can take a real bite out of your budget. It would be wrong for Congress to provide a much-needed lifeline to so many seniors and then quickly take it all away," said Senator Cardin.

"I understand the politics, but from a policy perspective, the Republican efforts to repeal these health care benefits are just irresponsible. The repeal would increase the cost of health care for our seniors and increase our federal deficit. This new law strengthens Medicare, ends abusive insurance company practices, protects patients, promotes prevention and wellness, keeps medical decisions in the hands of doctors, and brings down the federal deficit. It should be protected. "

Overall, since enactment of the *Affordable Care Act* on March 23, 2010, the Department of Health and Human Services has awarded \$62.7 million in new grant funding in Maryland, and helped many residents and employers take more control of their health care – from new patient protections to new coverage options.

Nationally, total savings per traditional Medicare beneficiary are estimated to be \$86 in 2011, rising to \$649 in 2020, according to the Department of Health and Human Services. For a beneficiary with spending in the donut hole, estimated savings increase from \$553 in 2011 to \$2,217 in 2020.

Beneficiaries who have high prescription drug spending will save much more – as much as \$12,300 over the next 10 years. In comparison, Medicare beneficiaries with low drug costs will save an average of \$2,400 over 10 years.

Below is a breakdown of the estimated savings for Maryland seniors from this year through 2020 when the Donut Hole will be closed.

MARYLAND COUNTY-BY-COUNTY SAVINGS		
	SENIORS	_
	IN DONUT	SAVINGS,
COUNTY	HOLE	2011-2020
Allegany	944	\$8,503,343
Anne Arundel	3,926	\$35,357,173
Baltimore	7,634	\$68,763,005
Baltimore City	5,550	\$49,991,956
Calvert	590	\$5,313,064
Caroline	314	\$2,830,194
Carroll	1,396	\$12,576,914
Cecil	786	\$7,077,427
Charles	833	\$7,502,427
Dorchester	372	\$3,347,297
Frederick	1,590	\$14,322,967
Garrett	338	\$3,044,914
Harford	1,916	\$17,261,353
Howard	1,551	\$13,971,759
Kent	301	\$2,710,350
Montgomery	6,779	\$61,060,838
Prince George's	4,898	\$44,115,738
Queen Anne's	383	\$3,451,050
Somerset	245	\$2,204,899
St. Mary's	629	\$5,663,162
Talbot	519	\$4,677,782
Washington	1,401	\$12,616,861
Wicomico	853	\$7,682,193
Worcester	738	\$6,650,762
TOTAL:	44,487	\$400,697,428

Estimates were generated using data from CMS, the Kaiser Family Foundation and the White House Office of Health Reform.

<u>Methodology and Citations</u>: The number of seniors in the donut hole is based on CMS-provided 2010 data on the county-by-county enrollment in Medicare, multiplied by the percentage of Maryland seniors enrolled in Part D in 2010 (44% according to the <u>Kaiser Family Foundation</u>). That figure was then multiplied by 14%, which is the number of Part D seniors in the donut hole nationally, as of 2007. To determine the total savings over the next 10 years, we multiplied the number of seniors in the donut hole by the average savings under the Affordable Care Act (\$9,007), as determined by the White House Office of Health Reform (See <u>Table 3</u>).